

# **Governor Knowles' Budget Proposals for Protecting Alaska Against Terrorism and Improving All-Emergency Preparedness and Response**

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**December 21, 2001**

Following the September 11 terrorist attacks, Governor Knowles directed an intensive review of Alaska's preparedness and response capabilities by the Disaster Policy Cabinet chaired by Major General Phillip Oates. The cabinet's report recommending actions and resources needed to improve these capabilities was released to the legislature and the public on November 12 along with a preliminary appropriations bill.

This packet includes backup information on all of the operating and capital requests in the bill and the summary spreadsheet that accompanied it. As noted in the November packet, the situation was still evolving and some changes were anticipated in the federal requirements for airport security, the amount of federal financial assistance to states, etc. The attached material includes changes to date.

## **Shared Responsibilities for Risk Assessment**

As with any issue of this magnitude and uncertainty, the public will be served best by the executive and legislative branches working together to weigh the potential risks of terrorism in Alaska and determine the most appropriate level of prevention, preparedness and response to threats or incidents of terrorism. Upon releasing the report, the governor requested public hearings as soon as possible so action on the budget proposals could be taken within two weeks after the legislative session convenes on January 14. The preliminary appropriations bill covering the budgetary requirements for fiscal years 2002 and 2003 was submitted to assist the legislature in its early review.

The question of how much and what kind of homeland security is needed in Alaska is difficult to answer. Among other things, the decision-making process must take into account the risks associated with:

- specific areas about which we have been explicitly warned by federal sources (e.g., the FBI's warning about public water supplies, specifically the Eklutna system in Anchorage);
- Alaska-specific points of potential vulnerability to terrorism (e.g., the TransAlaska Pipeline); and
- national points of potential vulnerability (e.g., international airports, military bases, and communications systems).

The Disaster Policy Cabinet concluded that neither Alaska nor any other state can afford a fully operational stand-alone system to detect, prevent and respond to acts of terrorism. A more cost-effective approach is to build on existing systems for emergency management, public safety and public health so they are more capable of responding to the use of weapons of mass destruction, including chemical and biological terrorism.

### **Shared Benefit of Increased Preparedness**

Efforts undertaken initially for purposes of homeland security (e.g., increased public safety presence, more hazardous material equipment and training, greater epidemiology and public health lab capabilities) will be invaluable in handling more conventional emergency situations such as earthquakes, floods, fires, oil or hazardous waste spills, and infectious disease outbreaks.

While the recommendations from the Disaster Policy Cabinet were not made for the purpose of dealing with these more common Alaska disasters, the terrorism review pointed out some deficiencies in the ability of the state and local governments to respond quickly and thoroughly to the needs of Alaskans in emergency situations. In some cases, the state was already in the process of expanding capabilities over a several year period; the current proposal would simply accelerate that schedule.

### **Timing Considerations**

To facilitate a more comprehensive and systematic legislative review of additional resources to reach a reasonable level of terrorism preparedness and response, the appropriations bill includes expenses incurred since September 11, 2001 plus all operating and capital budget recommendations for the rest of FY2002 and all of FY2003.

Some expenses had to be incurred immediately to allow the re-opening of airports throughout the state and to follow the advice of federal and state officials for securing particularly vulnerable facilities. While these would normally be presented in a separate supplemental budget, many of the non-discretionary expenses such as FAA-mandated airport security measures must be continued beyond the current fiscal year.

Other operating budget recommendations will be implemented only after budget authorization is received from the legislature. However, it would not make sense to request funding in the supplemental for on-going activities and personnel without simultaneously addressing whether the resources should continue beyond June 30. Given the high level of national attention to terrorism issues, it did not seem wise to wait until the normal FY2003 budget approval time frame of mid-May for these decisions.

### **Future Updates**

Congress has not yet acted on the national economic stimulus package that will include appropriations to states for terrorism-related costs and it is possible that the assistance will come in the regular FFY2002 budget instead. While the preliminary bill provided by the governor in November includes estimates of federal assistance, more will be known when session begins next month. Also, some federal security requirements are being modified.

The appropriations bill which the governor will formally introduce in January will include any updates to the information provided in this packet.

### **Attached Budget Materials**

Operating budget items are presented in standard budget change records that provide both a narrative description and a line item break-out of how the funds will be used. Capital requests use the normal capital budget forms. Questions about specific proposals can be directed to the appropriate department's Administrative Services Director or to OMB's chief budget analyst Joan Brown (465-4681).